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## THE ECONOMIC ASPECTS OF PROHIBITION

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Prohibition insists, through its advocates, that the beverage liquor business is not a producer of wealth; that it is a prolific breeder of taxation; that it multiplies the non-taxpayers and consumers; that wealth can have no equitable distribution while such business is perpetuated; that the burdens of government cannot be equitably borne while the saloon constantly increases them; that on the plane of pure economics alone the policy of prohibition should be established, for state and nation, as the only just policy possible between man and man and between man and government.

The limits of this article forbid any extended analysis of what wealth is, and of who its producers are. Wise political economy denies that anything is wealth, the destruction of which would benefit mankind. They cannot be true producers of wealth whose production is consumed only or mainly to mankind's losing cost, in comfort, in money, in productive power.

If the teachers of political economy were mere theorists alone, the plain facts of social and political experience, the common admissions of men who have not posed as political economists, would be sufficient to prove true, on economic lines merely, what is claimed for prohibition. Drunken labor, even drinking labor, is not the most productive. Production cannot be at its best where the drink habit prevails. Demand for the fruits of production cannot insure prosperity where the demand is widely discounted by that habit.

The fruits of production are found most largely in the homes of the rich; they should be found, far more largely than they are, in the homes of the poor. Prosperity can be general and constant only as these fruits are generally and widely found. In the interest of producers, purely as a business matter, and without regard to sentiment or patriotism, there should be suppression of whatever limits legitimate demand. It is the right of labor to meet the demand of a sober world.

"At all hazards, and no matter what else is sought or accomplished," declared Theodore Roosevelt in his Letter of Acceptance when nominated for the Presidency, "the American workingman must be protected in his standard of wages, that is, in his standard of living." And the President would doubtless agree that this must be done not only for the sake of the workingman himself, for his own individual comfort and that of his family, but also for the sake of all productive industries which are behind the home where the workingman and his family live, for the sake of the capitalists who are interested therein and whose investments contribute thereto. The "standard of living" in the home of a dollar-a-day hod carrier—a man earning only a dollar a day but soberly spending it—may be as high as that of the boss mason who gets three dollars a day when he works, but who is drunk four days out of the six.

Demand for the products of labor, and this demand alone, will insure fair wages. This demand for these products can be insured only by the sobriety of the laborer and the higher standard of living which this will insure to his home. Make the laborer's pay as high as by any method you can, and then let the saloon rob him of its largest part, and you have not preserved the standard of living that should be his, which, "at all hazards," according to Mr. Roosevelt, should be maintained. Multiply this one laborer by a million like him, and you have robbed a million men of comforts and luxuries they should have had. Multiply this one laborer's home by a million, and you have robbed other millions of workingmen of a demand that should have been theirs, for the products of their sober industry, to supply these million homes with earthenware, woodenware, tinware, silverware; with cotton wear, woolen wear, linen wear, head wear, foot wear; with beds and blankets and bolsters; with chairs and carpets and coal; with stoves and sofas; with pictures and pianos; with music and magazines; with books and brightness; with cheerfulness and content; with all the gladness and satisfaction which come from and are comprehended in the standard of living for which Mr. Roosevelt contended.

Where that standard of living most pitifully fails for the workingman is not where the tariff or free trade defends him least, but where the saloon, the liquor bar, has license to prey upon him most. Find the places in this country where the workingman's highest standard of living prevails, and you will not see an open saloon.

Inspect any town where other agencies and influences have done their best for the laborer, but where saloons live and saloon-keepers wax fat, and you will find a lower standard of living.

Close the saloon doors, and other doors will open. Even if you close them only on Saturday night the savings-bank doors will open that night, as has been demonstrated, to the gain of all but the saloon-keepers. Multiply saloons and you decrease all places of legitimate trade, or you decrease their profits. Reduce these legitimate places below what should be their number for normal supply, and you prove, by such reduction, that the standard of living upon which trade properly thrives is not maintained.

Considering only trade and manufactures, and leaving taxes and the cost of government entirely out of account, prohibition of the beverage liquor business is demanded in the interest of every tradesman and every manufacturer; and there is not a merchant or a mill owner anywhere, there is nowhere a man employed in mill or store, in the factory or on the farm, in the forest or at the forge, whose own direct and immediate selfish and personal benefit does not require that he stand for prohibition of the beverage liquor traffic.

It would seem as if common logic and common sense would be sufficient to attest this claim if there were not a single concrete illustration whereby to prove it. If not a tradesman or a manufacturer, a merchant or a mechanic, had anywhere certified or seen the comparative economic results of trade and manufacture with and without the liquor business to help or hinder, it would seem as if all producers and sellers would apprehend the great percentage of improvement where prohibition is applied, and would insist upon its application as a matter of pure commercial instinct and self-defense.

It appears indisputable, from a large number of authoritative reports, that wherever prohibition has been tried, even under adverse conditions, labor has prospered more generally than before or after under license; that wages have more equitably distributed wealth; that the standard of living has been preserved more widely, with increase of bank deposits, decrease of taxes per capita, increase of taxable values, reduction of municipal and state debt, and the general betterment of both labor and capital. The prevailing testimony runs about like this:

*Shenandoah, Iowa*—Four thousand people; no saloons; no dis-

order, no vice, no crime, no poverty; nothing for the criminal courts to do; no police; three banks, with more than \$1,000,000 of deposits.

*Fargo, North Dakota*—Population about 12,000; six years under prohibition; \$1,500,000 worth of buildings erected in that time; not a vacant dwelling or business house; twenty-two miles of paved streets; water works owned by the city and paying 8 per cent; tax 25 per cent less than when saloons were permitted.

*Topeka*, in prohibition Kansas, and *Lincoln*, in high-license Nebraska, the former with 26,000 population, the latter with 45,000; *Topeka* with no saloons, no saloon revenue, property valuation \$32,500,000, tax rate for city purposes only 56 cents per \$100, expended in paving, of which it has twenty-eight miles, \$216,202, bonded indebtedness \$66,378; *Lincoln*, with saloons and saloon revenue, property valuation \$30,000,000, tax rate 66 cents per \$100, expended in paving but \$47,408 for a street length of but twenty-two and one-half miles, bonded debt over \$1,169,000.

Similar figures can be furnished from hundreds of localities.

Money, to be made, requires producers of it; to be made and kept, requires care and sobriety in the production; to be made and kept or wisely spent, requires proper environment and sober conditions for the producers. The liquor traffic makes impossible or heavily discounts these required conditions. It turns producers into consumers, for whom other producers must pay. It furnishes no producers itself. Not a liquor seller makes a dollar by selling liquor; he only takes it from somebody by whom it was made. Not a brewer or distiller is a producer. Brewer, distiller, barkeeper—each is but a tax-gatherer, a tribute-taker, taking that which he has not earned, giving nothing of positive value in return.

If any town were to assess each laborer and producer in it 10 per cent of his daily earnings and income and compel payment every day, with nothing to show for this when the day's end came, there would be speedy revolution. Yet liquor thus levies daily tax upon the laborer and producer and to a far greater extent as a rule. Every saloon, every bar, taxes at least forty workingmen on an average more than 10 per cent of their earnings with absolutely no compensating equivalent. Prohibition stops this tax.

Prohibition reduces other taxes which are just, which must be paid for the maintenance of government, but which can be reduced

and yet insure better government. The larger the property valuation which manhood produces, the less the tax rate per thousand. The less liquor, the less unfitness to produce, the more production, the more value, the less tax.

Several Ohio towns lately testified as to their tax rate under prohibition as compared with their rate under license, and the evidence all ran one way. East Liverpool, after but one year's trial, and after losing the revenue from fifty-two saloons, lowered its tax rate one mill and three-tenths. Washington Court House lost all the revenue from eighteen saloons, and in three years its tax rate lessened one and one-half mills. Newcomerstown, in three years, after closing its twelve saloons, needed to levy four and a half mills less than under license. Barnesville, after six years of prohibition, found its tax rate three mills and a quarter less.

Excessive per capita taxation comes of too little per capita production or too much per capita immorality and crime. Courts and murders, crime and its punishment, vice and its fruits, cost more than all forms of legitimate and necessary government. Morals may mean all the difference between production and consumption—between the producer who pays taxes and the consumer who compels them. The saloon may mean, does mean, for a great number of men, all the difference between morals and immorality, between productive virtue and unproductive vice.

"The liquor business does not stand on the same footing with other occupations," declared Theodore Roosevelt, when police commissioner of New York. "It always tends to produce criminality in the population at large," he continued, "and lawbreaking among the saloon-keepers themselves." Criminality and lawbreaking are not evidences of morality. Where they exist productive power is discounted and the producers are taxed to sustain and punish the criminals and the lawbreakers. Productive power, which is at the basis of all sound economics, must build asylums and poor-houses, prisons and penitentiaries and jails; the liquor traffic fills them, as to from 50 to 85 per cent of their inmates, and then taxes productive power for their support.

Three years ago, in a daily newspaper without sympathy for prohibition, appeared a dispatch from Carbondale, Illinois, which was headed, "A Moral County," and which ran thus: "Its jail tenantless, with not a criminal case on the court docket, and not a

saloon within its limits, Edwards County may well lay claim to the moral banner of this country. Withal, it is one of the most prosperous counties of Illinois." About the same time the clerk of the Circuit Court of Edwards County testified of it as follows: "There has not been a licensed saloon in this county for over thirty-five years. During that time our jail has not averaged one occupant. This county has sent but one person to the penitentiary, and that man was sent up for killing his wife, while drunk on whisky obtained from a licensed saloon in an adjoining county."

In the last twenty-five years only, outside this moral county of Edwards, which has had no saloons, and inside the bounds of this republic, which has about 250,000 of them, the number of murders has increased proportionately four and a half times as rapidly as population, and the per capita increase in the consumption of liquors has been about twofold. Will thoughtful men deny any relation of one fact to the other?

Mrs. Barney, of Rhode Island, has told of visiting one prison where there were 1,100 convicts, of whom, according to the warden's testimony, 85 per cent came there through drink. Many other wardens have testified in similar fashion.

Mrs. M. J. Annable, of Brooklyn, vouches for the record of one woman reared under saloon influences and in the atmosphere of drink, and led down by these to the lowest immoralities, who died at fifty-one years of age, but whose descendants have been traced for seventy-five years (from 1827 to 1902), to the number of 800, of whom 700 have been criminals, convicted each at least once; 342 drunkards, acknowledged so beyond question; 127 immoral women, and thirty-seven murderers, executed for their crimes; and, according to Mrs. Annable, through this one woman and her progeny the saloon and its immoral allies and their criminal tendencies have cost the producers of this nation at least \$3,000,000.

"The worth of civilization is the worth of the man at its center," declared President Roosevelt, in a speech which he made in Maine, where possibly his thought was impressed by the state's prohibition policy. To insure value in man we build schools, at once the fruit and the stimulus of productive power; we hire teachers to serve in them; we pay taxes to support them; we fly the Stars and Stripes above them, in token that here we are developing and maintaining, in the citizenship that is to be, those mental

and moral qualities out of which producers and patriotism are molded and productive patriots are made.

Having done all that we do for "the worth of the man at the center," for his development in value as the unit of national wealth, it is not economic wisdom, it is not even plain commercial common sense, to maintain a system of license for an evil which contributes no element of worth to his physique, his productive power, or his patriotic life, but which robs him of the money he has earned or might earn, cripples the manhood in him which it is the duty and the imperative need of government to develop and protect, corrupts the morals which in a republic are the essential foundation of citizenship, and must be perpetuated, at a cost the nation cannot afford to pay, under any other policy than absolute, nation-wide prohibition.

"I will make a man more precious than fine gold," was the Divine estimate of human values. The only wise economic solution of the liquor problem will come when and to the degree that human estimates approximate the Divine.